



# **E-RATE ESSENTIALS**

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**Kentucky Department for Libraries & Archives**  
**September 28, 2017**

# On the Docket

- What is E-rate?
- Eligible Services
- Calculating Your E-rate Discount
- Application Cycle
- E-rate Productivity Center
- Checklist before Filing
- Resources

# Agencies to Know

The Rulemakers



The Processors



Universal Service  
Administrative Co.

# What is E-rate?

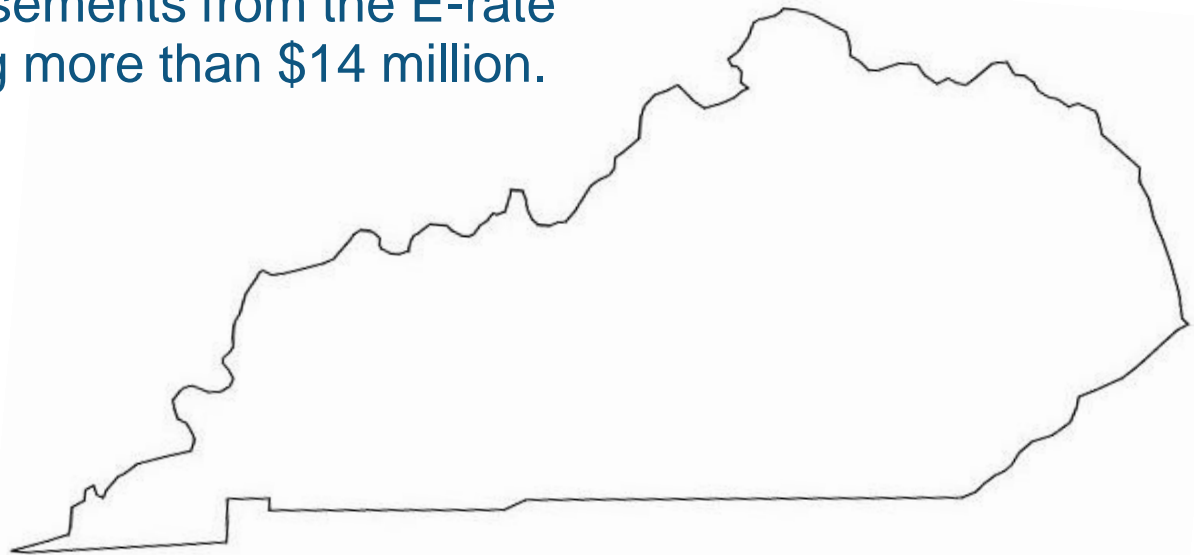
- E-rate = 'Education' rate for Schools & Libraries
  - Discounts on eligible products and services
- One of four FCC 'universal service' programs designed to provide comparable levels of connectivity to eligible groups, regardless of where they are located.
  - Core principles: competitive bidding and cost-effectiveness



Voice	
Monthly Access Charges	\$186.9
Surcharges and Other	
Charges & Credits	\$3.31
<b>Universal Service Charge</b>	<b>\$4.50</b>
Taxes & Fees	\$6.75
Total Current Charges	\$201.53
Amount Due by	
January 13, 2012	\$201.53

# Kentucky Libraries & E-rate

- Around 100 Kentucky libraries apply for E-rate each year.
- Average funding committed per library in FY 2016-17: over \$20,000
- Since 1998, Kentucky libraries have received disbursements from the E-rate program totaling more than \$14 million.










# E-rate Funding Years

Download latest chart from KDLA E-rate page:

<https://kdla.ky.gov/librarians/programs/Pages/E-rate.aspx>

**E-rate Funding Years – Dates to Remember**

	<b>Form 470 – Competitive Bidding</b> 	<b>Form 471 – Application to Request Discounts</b> 	<b>Form 486 – Service Start Date + CIPA Certification</b> 	<b>Recurring Services (Category 1 or 2)</b> 	<b>Invoicing Deadline (Recurring Services)</b> 	<b>Non-Recurring Category 2 Purchase/ Installation</b> 	<b>Invoicing Deadline (Non-Recurring Services)</b> 
<b>FY 2016-17 (FY 2016)</b>	Closed	Closed	120 days from: FCDL or Service Start Date (whichever is later)	July 1, 2016 To June 30, 2017	October 30, 2017	April 1, 2016 To Sept. 30, 2017	January 28, 2018
<b>FY 2017-18 (FY 2017)</b>	Closed	Closed May 11, 2017	120 days from: FCDL or Service Start Date (whichever is later)	July 1, 2017 To June 30, 2018	October 28, 2018	April 1, 2017 To Sept. 30, 2018	January 28, 2019
<b>FY 2018-19 (FY 2018)</b>	July 1, 2017 To Spring 2018 (TBA)	Late winter/ early spring 2018 (TBA)	120 days from: FCDL or Service Start Date (whichever is later)	July 1, 2018 To June 30, 2019	October 28, 2019	April 1, 2018 To Sept. 30, 2019	January 28, 2020
<b>Notes</b>	Most libraries go through competitive bidding each year	All libraries must file the Form 471 every year to receive \$\$	FCDL = Funding Commitment Decision Letter	Internet and Phone Service are Recurring	May request one 120-day extension before deadline	Non-recurring = one-time purchases	May request one 120-day extension before deadline

# WHAT'S ELIGIBLE FOR E-RATE?

An overview of the Eligible Services List

# The Eligible Services List

- The full E-rate Eligible Services List can be downloaded from the USAC website:  
<http://www.usac.org/sl/applicants/beforeyoubegin/eligible-services-list.aspx>
- Eligible services are separated into two broad categories:
  - Category One: Connectivity to the Building
  - Category Two: Connectivity to the Device



# CATEGORY ONE - INTERNET

## Data Transmission Services & Internet Access

- Monthly Internet fees (DSL, cable, fiber, etc.)
- Leased data lines (T1, lit fiber, etc.)
- Self-provisioned broadband networks
- Fees for static IP addresses are eligible as part of your internet access
- Internet access (cellular data) for bookmobile

**Cat1 services for FY 2018-19 will  
occur between July 1, 2018 and  
June 30, 2019**

**No budget limit on  
Category One requests**

# CATEGORY ONE – VOICE SERVICES

## Voice Services

- Local, long distance, and 800 (toll-free) service
- Plain old telephone service (POTS)
- Integrated Services Digital Network (ISDN)
- Interconnected voice over Internet protocol (VoIP)
- Radio loop
- Centrex
- Satellite telephone service
- Wireless telephone service including cellular voice and excluding data and text messaging
- Fax service

**FY 2018-19 Cat1  
Services will occur  
between July 1, 2018  
and June 30, 2019.**

**No budget limit on  
Category One requests**

**Voice Service discounts are  
being phased out – subtract  
80 from your normal  
discount rate for FY 2018-  
19. Many libraries will no  
longer be eligible for these  
discounts.**

# CATEGORY TWO (1/2)

## Internal Connections

- Cabling, connectors, & related components
- Switches and routers
- Racks\*\*
- Access points
- Antennas
- Caching
- Wireless controller systems
- Firewalls\*\*
- UPS (Uninterruptible Power Supply)\*\*
- Software supporting components on the list used to distribute broadband through the library

**\*\*Some restrictions apply**

**More flexibility –  
equipment can be  
installed as soon as  
April 1, 2018 or as late  
as September 30,  
2019.**

**These eligible functions  
can be virtualized in the  
cloud or combined in  
equipment (like routing  
and switching).**

# CATEGORY TWO (2/2)

## Basic Maintenance of Internal Connections

- Repair and upkeep of eligible hardware (even if not purchased through E-rate)
- Wire and cable maintenance
- Configuration changes
- Basic technical support including online and telephone based technical support
- Software upgrades and patches including bug fixes and security patches

## Managed Internal Broadband Services (MIBS)

- 3<sup>rd</sup> party operation, management, and monitoring of eligible broadband internal connections (ex: managed Wi-Fi)



Funds for Learning has a good explanation of [Basic Maintenance of Internal Connections \(BMIC\)](#).

# MISCELLANEOUS

May fall under Category One or Two:

- Some taxes, surcharges, and other similar, reasonable charges
- Rental or lease fees for eligible components
- Shipping
- Training
- Installation and configuration
  - May be performed by a 3<sup>rd</sup> party rather than the vendor who sold the equipment

# CIPA Compliance (1/2)



- Federal law requires recipients of E-rate funding to filter their internet access in compliance with the Children's Internet Protection Act (CIPA) when receiving support for:
  - Internet Access
  - Any Category Two funding
- Exception: If the E-rate funds are solely for telecommunications (phone service or transport only), then CIPA compliance is not required.

# 3 Steps to CIPA Compliance



**Internet  
Safety  
Policy**



**Notice &  
Public  
Meeting**



**Technology  
Protection  
Measure**

For more information on CIPA, see: <http://usac.org/sl/applicants/step05/cipa.aspx>  
Watch KDLA's CIPA webinar: <http://kdla.adobeconnect.com/ppvoyq0q24at/>



# THE MATH – CALCULATING DISCOUNTS

What kind of refund can my library expect?



# What's My Discount Rate?

- E-rate discounts are based on two criteria:
  - Percentage of students eligible for the National School Lunch Program in the local school district of your main library branch.
    - The school district submits this data, not the library—easy!
  - Rural or urban classification of the county served by the library
    - USAC has an Urban/Rural Lookup Tool on its website: <https://sltools.universalservice.org/portal-external/urbanRuralLookup/>
- Look at Discount Matrix (next slide) for discount rate

# Discount Matrix

Discounts are similar for Category One and Category Two eligible services, but the top discount for Category Two is capped at 85%. One exception: voice services are subject to a phasedown—see next slide.

INCOME Measured by % of students eligible for the National School Lunch Program	CATEGORY ONE		CATEGORY TWO	
	URBAN Discount	RURAL Discount	URBAN Discount	RURAL Discount
Less than 1%	20%	25%	20%	25%
1% to 19%	40%	50%	40%	50%
20% to 34%	50%	60%	50%	60%
35% to 49%	60%	70%	60%	70%
50% to 74%	80%	80%	80%	80%
75% to 100%	90%	90%	85%	85%

# Voice Services Phasedown

Library's Discount Rate	Voice Services Discount, FY 18-19
40%	0%
50%	0%
60%	0%
70%	0%
80%	0%
90%	10%

# View Your Discount Rate in the E-rate Productivity Center



- Summary
- News
- Related Actions
- Customer Service
- Modifications
- Additional Information
  - Discount Rate ▶**
- Contracts
- FCC Forms
- FRN Appeals

Records / Applicant Entities

## #208 - Pioneer County Public Library System [Follow](#)

### Requested Discount Rate - Pioneer County Public Library System (BEN: 208) - FY2017

More than 50 percent of your library outlets/branches must be rural for the library system to be considered rural.

This discount rate has not been approved for the current year

Associated School District Full-time Enrollment	Associated School District NSLP Count	Associated School District NSLP Percentage	Library System Urban/Rural Status	Category One Discount Rate	Category Two Discount Rate	Voice Discount Rate
801	564	70%	Rural	80%	80%	20%

[Hide Additional Information](#)

Entity Name	BEN	Urban/Rural Status	Main Branch?
Pioneer County Public Library Main Branch	210	Rural	Yes
Pioneer County Bookmobile	211	Rural	No

To view your current discount rate in the [E-rate Productivity Center](#): Go to My Landing Page, click on the name of your library system, then click on Discount Rate.

# Category Two Budgets (1/2)

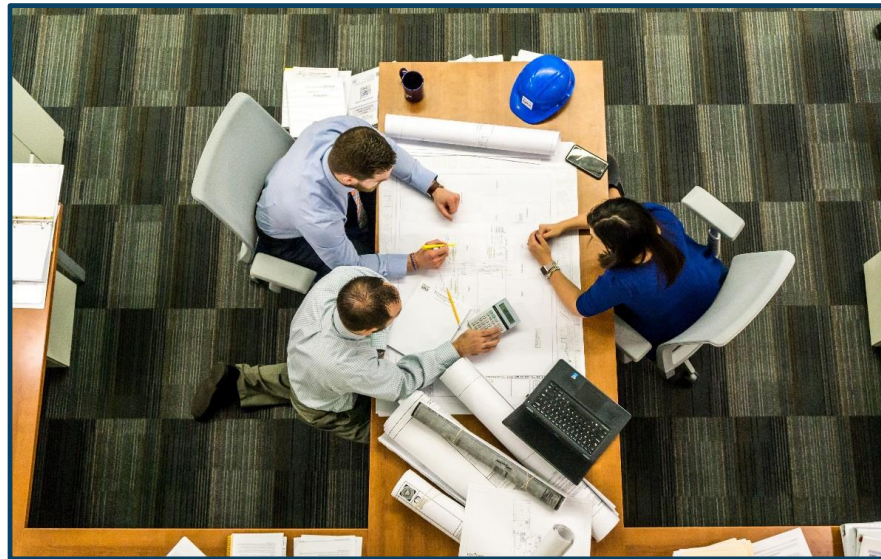
- Pre-discount C2 budget is based on the square footage within enclosed walls of each branch in your library system and is tied to inflation
- Budgets cover a 5-year period and are specific to each branch
  - Exception: The costs for equipment/services shared by multiple branches will be divided between the branches for which support is sought.
- Includes eligible kiosks and bookmobiles
  - See eligibility requirements on KDLA website:  
<https://kdla.ky.gov/librarians/funding/Documents/eligible%20library%2011%20-%202015.pdf>
- **Excludes** administrative-only branches (called non-instructional facilities or NIFs)

# Category Two Budgets (2/2)

- Current budget is \$2.35/square foot for almost all Kentucky libraries
- Some branches in densely-populated areas receive \$5.12/sq. ft.
  - Branch must have IMLS locale code 11, 12, or 21
- Minimum budget per branch is \$9,412.80 if less than 4,000 sq. ft.
- Can be spent all in 1 funding year or spread over several years.

# Construction? Get more C2!

- **C2 budget increases** when the library gains finished, interior square footage during the funding year. Get documentation ready before applying.

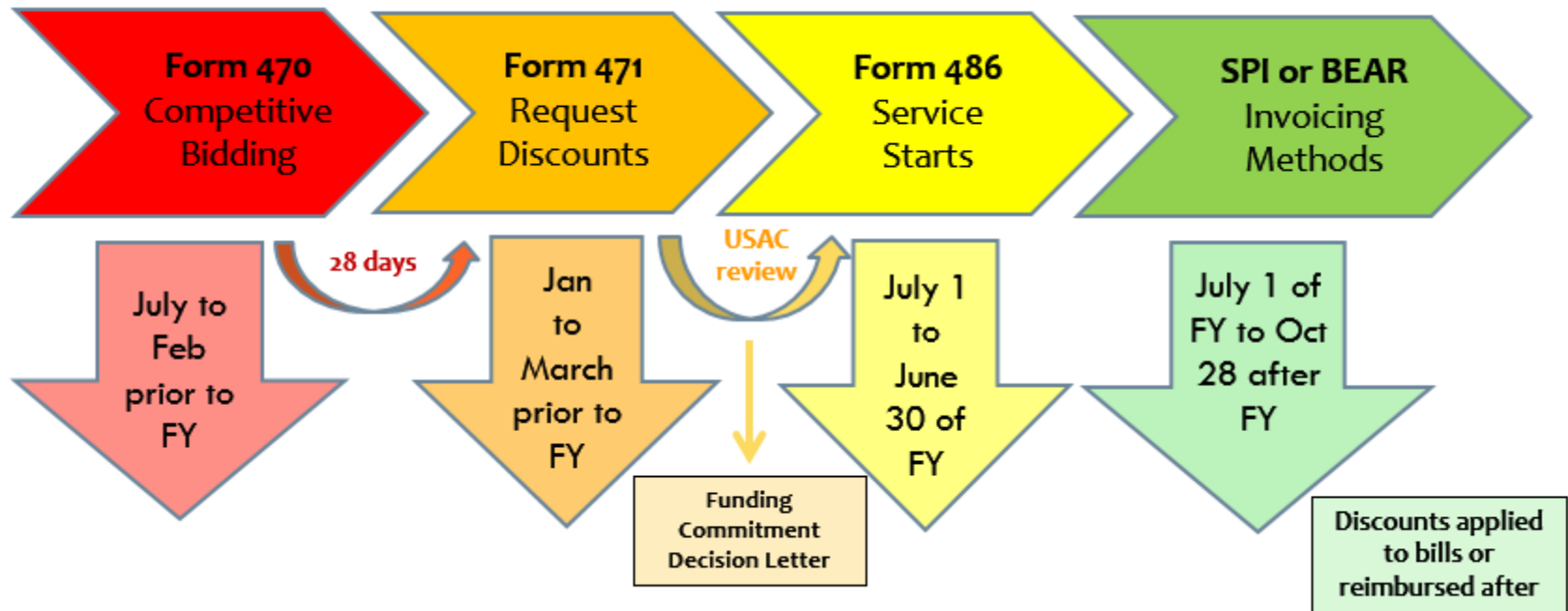


# APPLICATION CYCLE

A rundown of the forms to file



# E-rate Application Cycle



Competitive bidding for FY 2018-19 will continue through Feb/March 2018. The deadline for requesting discounts on the 471 has not been set yet but will likely be in late March or early April 2018.

# Form 470 – Competitive Bidding



- On the Form 470, applicants describe the E-rate eligible services they need. Potential service providers have at least 28 calendar days to respond with bids.
  - All vendors must be treated equally – fair & open bidding
  - Cost must be the primary factor in choosing vendor
  - Keep records of the bid review process, decisions and actions taken
    - Create a bid evaluation form if you receive multiple bids
- Filing a Form 470 does not obligate an applicant to sign contracts or accept E-rate funding.

# **Competitive Bidding & Existing Contracts**

**Question: My library already has a contract for internet access (or another eligible service), and this contract was not previously approved for E-rate. Can my library still get discounts for this service?**

Answer: Yes, potentially. Your library must go through competitive bidding and consider the current contract along with other bids received for the same service. If your contract honestly wins the bid evaluation with price as the primary factor, you can get an E-rate discount for those services. You'll memorialize the contract paperwork with the date the contract won the E-rate bid evaluation. This is not a best practice for E-rate, so try to avoid this scenario when possible!

# Change to the Form 470



- **USAC recently announced some changes to the way internet requests are listed on the Form 470.**
  - KDLA will provide updated guidance and example forms in the next few weeks.
  - **Please talk to KDLA's Technology Consultant before certifying your Form 470.**
  - DIFFERENT ≠ DIFFICULT 😊

# Business-Class Internet Bidding Exemption

- A Form 470 for Internet service is not necessary if ALL these conditions are met:
  - Bandwidth is at least 100 Mbps downstream and 10 Mbps upstream
  - Pre-discount cost is less than \$3600 annually (\$300/month), including any installation or other eligible fees
  - Service and price are commercially available to other business or government customers in your area

# Form 471 – Request Discounts



- The Form 471 = the E-rate application
- On the Form 471, report which products and services you have chosen through competitive bidding –
  - If contracts or legally binding agreements are required, they must be signed before filing a Form 471
  - Include information about the service provider and costs
  - Include discount calculation and request for a specific amount of funds
  - Certify compliance with E-rate program rules
  - In the [E-rate Productivity Center](#), you can upload a copy of contracts to speed up the review process.

# Application Review

- USAC reviewers may ask applicants for additional documentation to verify eligibility of services.
  - Will help you make allowable corrections to your Form 471
- Funding commitments are released in waves. USAC's goal is to process all applications by the end of September.
  - Funding Commitment Decision Letters indicate which funding requests were approved, the name of the service provider, and the amount of funding committed.
  - Applicants will receive FCDLs for each Form 471 filed; email notices link to the [E-rate Productivity Center](#).

# Form 486 – Service Starts



- This form notifies USAC that services have started and invoicing can begin. Also includes certifications regarding compliance with the Children's Internet Protection Act.
- Must file a Form 486 for funding to be released
- Best practice: File ASAP after receiving your Funding Commitment Decision Letter
- Can file multiple Forms 486 or list all services on one form



# SPI or BEAR – Invoicing Methods



## Service Provider Invoicing (SPI)

- Your service provider automatically applies your discount rate to each bill
- Less paperwork for you, but not all service providers will offer this

## Billed Entity Applicant Reimbursement (BEAR)

- Submit the amount you were invoiced through [BEAR Online](#), periodically or can submit full amount after FY ends
- Reimbursement via direct deposit
- More work on your part, but more control over timing of reimbursement

# **E-RATE PRODUCTIVITY CENTER**

**Basics of the application portal**



# E-rate Productivity Center

- Application portal for filing almost all E-rate forms
  - Retains funding information from FY 2016-17 and forward
- E-P-C or 'epic' for short.
- Link: <https://portal.usac.org/suite/>
- Each library can have several users with various permission levels. The account admin for the library creates accounts for additional library staff.
- Update your library's profile – contact info, square footage, etc.

# EPC Account Admin

- Pick a library staff member to act as Administrator for the account – should be person with primary responsibility for preparing E-rate forms, will add other users if needed
- Information you'll need:
  - Administrator's First and Last Name
  - Administrator's Title
  - Administrator's email address (this will become login ID for the account)
  - Library's physical address (can add mailing address, too)
  - Library's Billed Entity Number
- Contact USAC Client Services Bureau
  - Call 1-888-203-8100
  - Send request on library letterhead to FAX 888-276-8736 or email [sldpr@gdit.com](mailto:sldpr@gdit.com)

# Create a New User (1/3)

News Tasks (6) Records Reports Actions

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## My Landing Page



Training  
Universal Service  
Administrative Co.

Welcome, Pioneer County Public Library System!

Funding Request Report | FCC Form 470 | FCC Form 471 | FCC Form 488 |  
Appeal | FCC Form 500 | SPIN Change | Service Substitution | **Manage Users** |  
Manage Organizations | USAC Website | Contact Us | Help

**From My Landing Page, the library's account admin can click on Manage Users to access options for adding & removing users or changing their user permissions.**

# Create a New User (2/3)

## Manage Users

### Existing Organizations

<input checked="" type="checkbox"/>	Organization ID	City	State
<input checked="" type="checkbox"/>	Pioneer County Public Library System	Boonesburg	KY

Cancel

Create a New User

Add and Remove Existing Users

Manage User Permissions

Select  
your  
library

Click to Create a  
New User

# Create a New User (3/3)

## Create A User for Pioneer County Public Library System

### User Details

User Type  
Applicant

First Name \*

Marian

Last Name \*

The-Librarian

Middle Initial

Job Title \*

IT Manager

Phone Number \*

555-555-5555

Phone Extension

5555

Enter  
Contact  
Info

### Email

Email \*

marian.thelibrarian@mailinator.com

marian.thelibrarian@mailinator.com will be used as the username for the new account

Confirm Email \*

marian.thelibrarian@mailinator.com

### Address

Address Line 1 \*

100 Main Street

Address Line 2

City \*

Boonesburg

State \*

KY

County

Zip Code \*

40069

Zip Code Extension

Library's  
Address  
Will  
Autofill

### User Permissions

In the table below, you can designate the permissions that you wish to give to each of your users for the various tasks you can complete in the portal. This table will continue to grow as more functionality comes online.

- Full rights users can start, complete, submit and certify forms.
- Partial rights users can start and enter data in the form, but cannot submit and certify them.
- View Only users can only see forms created by other people in your organization but cannot create forms themselves.
- Form 498 School or Library Officials can start, complete, submit, certify, modify, and deactivate Forms 498.
- Form 498 General Financial Contacts can start, complete, and submit Forms 498, but cannot certify new or updated Forms 498 or deactivate existing Forms 498.
- Post-Commitment Full and Partial rights user can start, complete, and submit Spin Change and Service Substitution requests. Post-Commitment View Only rights can view the submitted Spin Change requests.

Apply All	470 Permission	471 Permission	498 Permission	Post-Commitment Permission	486 Permission	Appeals Permission
Full	Full	Full	School or Library Official	Full	Full	Full

Assign  
Permission  
Levels

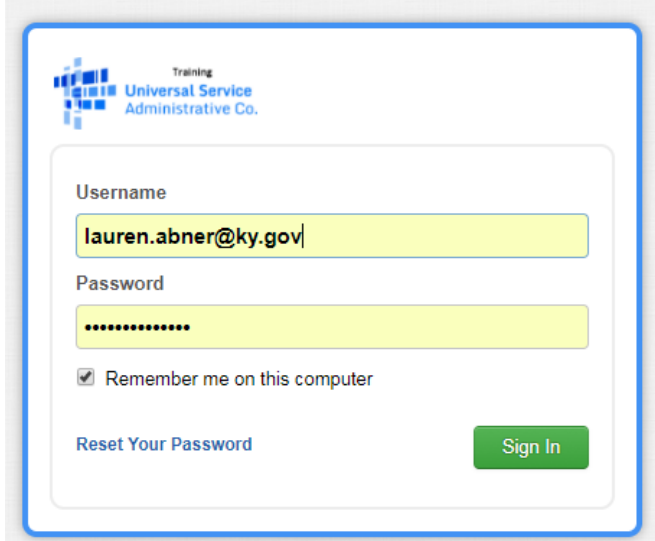
Cancel

Continue

After you hit the green Continue button, you'll have a chance to review the information before submission. The new user will receive an email invitation.

# Logging in for the 1<sup>st</sup> Time

- The email invitation will direct you to the E-rate Productivity Center:  
[portal.usac.org](http://portal.usac.org)
- Select 'I Agree' re: authorized use notice
- Choose the 'Reset Your Password' link and enter your email address as the username. The password reset link will expire after 15 minutes!
- 1<sup>st</sup> task after successful login – complete Terms of Service Agreement
- Problems? Call Client Services Bureau at 1-888-203-8100



The screenshot shows the login interface for the Universal Service Administrative Co. (USAC). At the top left is the USAC logo, and to its right is the text "Training Universal Service Administrative Co.". Below this is a white login box with a blue border. Inside the box, there are two input fields: "Username" and "Password". The "Username" field contains the email address "lauren.abner@ky.gov". The "Password" field is masked with dots. Below the password field is a checkbox labeled "Remember me on this computer" which is checked. At the bottom left of the login box is a link "Reset Your Password", and at the bottom right is a green "Sign In" button.



# My Landing Page (1/2)

Continue in-process forms

Access your profile;  
log out of portal

The screenshot shows the 'My Landing Page' of the Universal Service Administrative Co. (USAC) portal. The top navigation bar includes 'News', 'Tasks (6)', 'Records', 'Reports', and 'Actions'. The user 'Lauren Abner' is logged in, with a dropdown arrow next to their name. The main content area is titled 'My Landing Page' and features the USAC logo and the text 'Training Universal Service Administrative Co.'. A welcome message reads 'Welcome, Pioneer County Public Library System!'. A 'Notifications' section contains two dropdown menus: 'Notification Type' (set to 'Please select a value') and 'Funding Year' (set to '-- Select a Funding Year --'). To the right, there is a 'Status' filter with three radio buttons: 'All' (selected), 'Generated', and 'Not Generated'. A list of links is provided: 'Funding Request Report', 'FCC Form 470', 'FCC Form 471', 'FCC Form 486', 'Appeal', 'FCC Form 500', 'SPIN Change', 'Service Substitution', 'Manage Users', 'Manage Organizations', 'USAC Website', 'Contact Us', and 'Help'. The USAC logo is also present at the bottom right of the page.

News Tasks (6) Records Reports Actions

Lauren Abner Appian

## My Landing Page

Training  
Universal Service  
Administrative Co.

Welcome, Pioneer County Public Library System!

### Notifications

Notification Type Please select a value ▼

Funding Year -- Select a Funding Year -- ▼

Status ? ☒ All ☐ Generated ☐ Not Generated

Funding Request Report | FCC Form 470 | FCC Form 471 | FCC Form 486 |  
Appeal | FCC Form 500 | SPIN Change | Service Substitution | Manage Users |  
Manage Organizations | USAC Website | Contact Us | Help

Universal Service  
Administrative Co.

# My Landing Page (2/2)

## My Entities

Entity	Entity Number
Pioneer County Public Library System	208
Loganville Branch Library	209
Pioneer County Public Library Main Branch	210
Pioneer County Bookmobile	211

**Make updates to profiles for library system and branches.**

## My Tasks

Name

Create FCC Form 470 - #180000127 - FY 2018-19 Category One requests

**Return to in-process forms or tasks.**

## Customer Service Cases

Case ID

Topic

74

Eligible Services

Nickname

Eligibility of a Service

**View in-process customer service cases.**

## FCC Forms and Post-Commitment Requests

- ☒ FCC Forms
- ☐ Post-Commitment Requests

Form Type FCC Form 470

Funding Year 2018

**Look up your library's forms.**

# CHECKLIST

Gearing up to file for FY 2018-19

# FY 2018-19 Checklist (1/4)

## **E-rate Productivity Center information**

- Update USAC's data relating to your library/library system
  - Are there new branches since the last year you applied?
  - Have the branch names or addresses changed?
- E-rate Productivity Center accounts
  - Account administrator has been set
  - Other users added with various permission levels
  - Your contact information in your individual EPC user profile is correct

# FY 2018-19 Checklist (2/4)

## Eligible Services List

- What are the library's needs?
  - Category One
    - Internet/data transmission
    - Phone
  - Category Two
    - Internal Connections
    - Basic Maintenance of Internal Connections
    - Managed Internal Broadband Services
- Does the library have ongoing contracts for these services?

# FY 2018-19 Checklist (3/4)

## Category Two Budget

- What is the square footage of each building?  
Has it changed since last year?
- Will construction or renovation change the square footage during FY 2018-19 (July 1, 2018 to June 30, 2019)?
- Have any library branches received funding commitments for Category Two since FY 2015-16 when the 5-year budgets began?

# FY 2018-19 Checklist (4/4)

## Children's Internet Protection Act (CIPA) Compliance

- Will the library request E-rate support for Internet Access or any Category Two equipment or services?
  - If yes, has your library:
    - Implemented a filter that blocks visual images that are obscene, child pornography, or (sexual material) 'harmful to minors'?
    - Created an Internet Safety Policy that addresses children's online safety when using the library's internet?
    - Held a public meeting prior to adopting the policy?

## Help from KDLA

- Will I ask the Technology Consultant to review my Form 470 and 471 before certifying? **(Correct answer: Yes!!!)**

# WRAP-UP

Why to apply for E-rate + Resources



# Why File for E-rate?

Image of Jessamine County  
Public Library patrons:  
[Lexington Herald-Leader](#)



# Resources

- **KDLA's E-rate page**
  - <http://kdla.ky.gov/librarians/programs/Pages/E-Rate.aspx>
- **USAC**
  - Schools & Libraries Division site: [www.usac.org/sl](http://www.usac.org/sl)
  - Client Services Bureau – 1-888-203-8100 or create a case in the [E-rate Productivity Center](#)
- **E-rate Central Kentucky page**
  - <http://e-ratecentral.com/us/stateInformation.asp?state=KY>
  - Research your library's E-rate funding history:

## Funding Quick Search

☒ Billed Entity Number ☐ SPIN

Search

# Sign up for KYTECH LISTSERV®

- **For Library Technology Support Staff:**
  - KYTECH is a monitored discussion list devoted to those who work with technology for their library. By using this LISTSERV®, individuals from around the state will have the chance to ask questions, share ideas, voice concerns, and make valuable contacts all through their e-mail.
  - TO SUBSCRIBE: Send a blank message to: [join-kytech@listserv.ky.gov](mailto:join-kytech@listserv.ky.gov)
- **E-rate updates and reminders are posted to KYTECH**

# Upcoming Training

- Visit KDLA'S Continuing Education Event Calendar to sign up for more E-rate training opportunities
  - <http://kdla.ky.gov/librarians/staffdevelopment/Pages/ContinuingEducationCalendar.aspx>
- **E-rate 2018 Form 470 for Competitive Bidding**
  - October 20<sup>th</sup> from 10:00 - 11:30 am ET – [Register](#)
- **E-rate 2018: Category Two & You**
  - November 14<sup>th</sup> from 2:00 – 3:30 pm ET- [Register](#)



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KDLA's E-rate support is funded in part by the IMLS Grants to States program.